



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 7, 1999

### **S. 953**

### **Terry Peak Land Conveyance Act of 1999**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on June 30, 1999*

CBO estimates that implementing S. 953 would not have a significant impact on the federal budget. Because S. 953 would affect direct spending, pay-as-you-go procedures would apply; however, we estimate that the effect on direct spending would be insignificant. This bill would impose no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

S. 953 would direct the Secretary of Agriculture to convey about 41 acres in the Black Hills National Forest, South Dakota, to the Terry Peak Ski Area. The bill provides that the conveyance be at fair market value. The cost to appraise the land would be paid by the ski area. S. 953 would give the Secretary the authority to spend any money from the sale to acquire replacement land for the Black Hills National Forest.

Based on information from the Forest Service, CBO estimates that selling the land to the ski area would generate new offsetting receipts (a credit against direct spending) of less than \$125,000. The agency would subsequently spend those funds to acquire other land. The sale receipts and subsequent spending would net to zero over the 2000-2004 period. The ski area currently pays annual fees to the Forest Service for use of the land, and the Forest Service shares those receipts with the state of South Dakota. Thus, conveying the land to the ski area would result in both a loss of income from fees and lower payments to the state. We expect that the net loss to the federal government would total less than \$10,000 each year.

On July 7, 1999, CBO prepared a cost estimate for H.R. 2079, the Terry Peak Land Conveyance Act of 1999, as ordered reported by the House Committee on Resources on June 30, 1999. The two bills are identical, as are the two cost estimates.

The CBO staff contact is Victoria Heid Hall. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.